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raw materials, bond issues since 1894, new flotations of joint-stock companies, German and foreign gold reserves, and tables showing the monthly and yearly prices of various classes of bonds.

The book is timely, well planned and organized, and places before the reader an abundance of evidence relating to the factors which influence the interest rate. The investigation is limited to Germany; the bibliography is entirely German; and the point of view is German. Inasmuch as the panic of 1907 in the United States played such an important part in fixing the high rates of that year, it seems to the reviewer that the author would have been able to obtain a fairer perspective and to discuss more pointedly the influence of the panic upon Germany (pp. 57-61) if he had consulted the wealth of material in English.

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*Untersuchungen über Preisbildung: Ueber Gestechungskosten im Buchdruckgewerbe.* By T. FRANCKEN; *Einfluss der Konjunkturen auf die Preisentwicklung der unedlen Metalle und der Steinkohlen seit 1890.* By L. HERTEL; *Die Preisgestaltung der inländischen Braunkohlen seit 1890 in den Oberbergamtsbezirken Bonn und Halle.* By J. SCHRADER. Schriften des Vereins für Sozialpolitik, Vol. 142, Part 1. (Leipzig: Duncker und Humblot, 1912. Pp. 251. 6 m.)

*Untersuchungen über Preisbildung: Die Verteuerung der Lebensmittel in Berlin im Laufe der letzten 30 Jahre und ihre Bedeutung für den Berliner Arbeiterhaushalt.* By GUSTAV BRUTZER. Schriften des Vereins für Sozialpolitik, Vol. 139, Part 2. (Leipzig: Duncker und Humblot. 1912. Pp. 88. 3 m.)

*Die Preissteigerung des letzten Jahrzehnts.* By FRANZ EULENBURG. (Leipzig: B. G. Teubner. 1912. Pp. 96. 2.40 m.)

*Il Movimento dei Prezzi e dei Salari nell'Anno 1911 a Trieste.* By MARIO ALBERTI. Pubblicazioni del Museo Commerciale. (Trieste: E. Vram. 1912. Pp. 114.)

*Die Fleischversorgung der Grossstädte unter besonderer Berücksichtigung der Preisbildung und Preisentwicklung, dargestellt auf Grund der Verhältnisse der Stadt Cöln.* By FRITZ ROTHE. (M. Gladbach: Volksvereins-Verlag. 1912. Pp. 144. 3 m.)

The Verein für Sozialpolitik—the German association of econo-

mists—has undertaken the publication of a series of studies on prices, with the view of showing the factors which are responsible for the present rise in price levels. Sering, of Berlin, is the editor of the series on agricultural products, and Eulenburg, of Leipzig, is in charge of that on industrial products.

Dr. Francken's study of prices in the printing industry follows a comparatively simple plan; he has taken an outline analysis of costs in factory industries from a special study on that subject, and has then compiled the available information for the printing industries under each of the captions in the cost analysis. Thus the principal raw materials are paper, type-metal, ink and coal; a chapter is devoted to each of these, showing the price tendencies and giving comparisons both for earlier periods and for the leading countries. The most interesting feature of the study is the evidence concerning the extent to which the industry has been organized in the effort to regulate prices and trade conditions. There is a cartel in the paper industry and coal industry; the printing workmen have a national union which practically controls the labor supply, while their employers are combined in an association which includes all the important establishments, and the two organizations work together under a long-term trade agreement; finally the booksellers' association regulates the retail distribution of the finished product. The author has given an interesting review of the various factors in the industry of book printing; the study, however, lacks head and tail, and one concludes the reading of the hundred pages with the feeling that while the author set out to investigate the price elements in this industry, he had found so much collateral information of interest that he has almost concealed the real point of his study.

The second part of the volume is a study by Dr. Hertel on the development of the prices of the non-precious metals and of hard coal since 1890. The articles included are pig iron, hard coal, copper, lead, tin, and zinc; the statistical tables give the production and prices for the four periods 1891-1894, 1895-1900, 1901-1903 and 1903 to date. A series of charts show the price curve for each of the metals in each of the leading countries. The author's conclusions, namely, that speculation and artificial control of prices by pools and syndicates affect prices only temporarily, and that price variations are the result of changes in supply and demand, seem rather obvious.

Dr. Schrader's contribution on the prices of soft coal in the

mining districts of Bonn and Halle forms the third part of the volume. These two areas in 1910 produced about 80 per cent of the soft coal production of the empire. This study also follows the plan of first outlining the elements which compose the price of coal, and then discussing these items seriatim. The chapters on wages and on marketing methods impress one as careful pieces of work.

For the American reader, the value of these three studies consists not so much in the information on prices, though the price data have been fully and clearly presented, as in the light they throw on the efforts of the producers in these industries to influence prices through organizations of various kinds. The policy of the present administration in the United States of dissolving such organizations is in striking contrast to the German policy of toleration.

According to Brutzer, wages have risen more rapidly than the cost of food in Berlin during the period 1881 to 1910. This conclusion is derived by comparing the cost of food for a typical family of four, with the income statistics of wage-earners, in the city of Berlin. The author begins by stating that as part of a world movement, the price of the necessities of life had risen to a considerable extent in recent years, and that this rise had occurred at the same time that the wage-earner was persistently endeavoring to raise his standard of life. While the conclusion of the author is optimistic, he is careful to state that items other than food, such as rent, taxes, etc., have also risen.

The methods followed in this study are simple and direct; recent investigations of the cost of living in Berlin showed an expenditure of over 50 per cent of the workman's income for food, and that the most important items of food were meat, bread, and milk. The price movements of these articles are carefully presented, and an effort is made to show the elements forming the price at the present time, as the sources of supply, the cost of transportation, and the cost of marketing are given for each article. More efficient methods of manufacture, and especially the use of co-operative measures among the small producers, would materially reduce some of the costs of production.

Professor Eulenberg has given in his monograph a very readable survey, not only of the rise of prices in the last decade, but

also of general price movements since 1850, together with his views as to the probable future course of prices. He discusses briefly the technique of estimating price movements, describes the period of rising prices from 1850 to 1873, the period of falling prices from 1873 to 1896, and then gives in more detail a review for the period since 1896. The increase in prices since 1900 is a well-defined movement, not due to temporary causes, is not confined to any one group of commodities, and is not limited to any one country. Furthermore, it has occurred at a time when technical progress in industrial processes might lead one to expect a contrary movement. The causes of this upward tendency since 1900 include (1) the appearance on the world market of new consumers (South America, Asia, Africa, etc.), who have enlarged the general demand; (2) the growth of cities and similar changes have caused new wants to develop and have extended the demand; and (3) the increase in the world's capital and the consequent greater income have also enlarged the demand on the world's producing powers. To satisfy this larger demand more producers have been set to work in a brief space of time, and higher prices have resulted because of the necessity of using less efficient producers, deeper mines, poorer soil, etc. These factors, however, are of importance in price movements only if the value of the circulating medium remains constant. The author finds that the effects of the greatly increased production of gold have been: (1) there is now a larger quantity of gold in the possession of the leading countries, and this has developed credit and stimulated consumption; (2) the number of gold standard countries has increased because of the larger supply of gold, and this has enlarged the purchasing power of the newer countries; and (3) the purchasing power of the countries which produce the gold has been directly increased.

The author handles the quantity theory of money rather gingerly, though he insists that in some form it must be accepted; the only modifications mentioned, however, are the traditional references to the use of credit instruments and the more rapid circulation of currency. Being originally prepared for a lecture, the study contains but few statistical statements. A series of notes at the end of the volume give an adequate number of references to sources.

The study of Mario Alberti is the second of what is promised

to be a periodical review of prices and wages in the Austrian city of Trieste. The first study, *Il Costa della Vita, i Salari e le Paghe a Trieste nel l'Ultimo Quarto di Secolo*, covered the period 1885 to 1910, and in the present volume the information is brought down to 1911, while some comparisons with foreign countries are also given; an appendix contains an extensive bibliography on prices and the cost of living.

The principal contribution of the study is the collection of retail prices and of wages, with the computations showing the development of these two factors over a period of years. The price data are retail prices paid by the Trieste poorhouse (*Istituto dei Poveri*); a weighted and an unweighted index are given for these prices, the latter showing that prices were 12.35 per cent higher in 1911 than in 1910, and the former (weighted according to the consumption of workmen's families) showing that the cost of living had increased 13.12 per cent in the same time. The wage data were secured principally from trade agreements, and the index computed from them showed that wages at the beginning of 1912 were 8.67 per cent higher than in 1910.

A special chapter is devoted to comparing the cost of living and wages in Trieste with foreign countries, the series of cost-of-living reports of the British Board of Trade being used as the basis for most of the comparisons. These contrasts show that the cost of living in Trieste is higher than in the United States or in any leading European country; wages in Trieste are much lower than in the United States, lower than in England and Germany, about the same as in France, and higher than in Italy and Belgium. The weakness of this statement lies in the fact that the single city of Trieste is compared with an average for a whole country; thus the cost of living average for the United States is made up of data for 28 cities, including places like Muncie, Indiana, and Detroit, Michigan. From estimates given elsewhere in the volume, it may safely be inferred that an average for the leading Austrian cities would show a cost of living index much lower than that for Trieste. A comparison of Trieste with Baltimore or Liverpool would have been more to the point. The author is also somewhat careless with his percentages; he finds that the wage index for Trieste is 76, for England 100 and for the United States 230; he then concludes (page 59), "wages in the United States are on an average 130 per cent higher than in England, and 154 per cent higher than in Trieste." It seems hardly nec-

essary to point out that 230 is not 154 per cent higher than 76. The same error occurs elsewhere in the chapter.

A bibliography fills up 46 out of the 114 pages in the volume; in the present deluge of printed matter on prices and cost of living, an indiscriminate list, such as the one here given, is of less value than a selection of sources with notes as to the value of the contents. The author has rendered a service in giving a clear and full statement of the course of prices and wages in an important industrial and commercial city of central Europe.

The volume by Fritz Rothe is mainly devoted to an account of the sources and method of distribution of the meat supply of the city of Cologne. While the author offers little in the way of positive suggestions for improving and increasing the meat supply of Germany, he has brought out clearly the wasteful methods now in use, and the need for a constructive policy in order to relieve the present distress.

HENRY J. HARRIS.

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#### NEW BOOKS

ARNAUNE, A. *La monnaie, le crédit et le change.* Fifth edition brought down to date. (Paris: Alcan. 1912. Pp. xii, 564. 8 fr.)

ASHLEY, W. J. *Gold and prices.* (New York: Longmans. 1912. Pp. 32. 50c.)

Six articles originally published in "Pall Mall Gazette." Gold largely responsible for increase of prices. Believes that present upward movement of prices will soon cease.

BENDIX, L. *The Aldrich plan in the light of modern banking.* (New York: Robert R. Johnston. 1912. Pp. xiv, 227. \$2.)

To be reviewed.

BRADY, J. E., editor. *Banking law journal digest; a complete digest of all the legal decisions, which have appeared in the issues of the "Banking Law Journal," from January, 1900, to June, 1912, inclusive.* (New York: Banking Law Journ. Co. 1912. Pp. xix, 210. \$3.)

BRAEDT, F. *Das Sparkassenwesen im Königreich Sachsen.* (Tübingen: H. Laupp. 1912. 4 m.)

BROWN, W. H. *The story of a bank. An account of the fortunes and misfortunes of the second bank of the United States, with a preliminary sketch of the first bank.* (Boston: Badger. 1912. Pp. xxiii, 213. \$1.50.)

CLEVELAND, F. A. *The budget as a means of locating responsibility*